

**STATEMENT BY  
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PHILDELPHIA REGIONAL OFFICE  
BEFORE THE  
HOUSE COMMITTEE ON VETERANS' AFFAIRS  
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Thank you, Mr. Chairman, and Members of the Committee for allowing me to address the continuing problems at the Philadelphia Regional Office, only some of which were identified in the recent Office of Inspector General's Report dated April 15, 2015, titled *Review of Alleged Data Manipulation and Mismanagement at the VA Philadelphia Regional Office Philadelphia, Pennsylvania*.

First I want to explain who I am and my role in the VA. I am a 37 year employee of the VA all at which is referred to as the Philadelphia Regional Office. I have been the local Union President of AFGE Local 940 for the past 16 years and was Vice-President for 10 years prior to that. I have served on many joint national VA Labor/Management Committees including the Mid-Term Bargaining Committee and am still a member of the National Quality Council and am a certified Trainer for AFGE - Master Agreement. I have been a VA Carey Quality Program Examiner and I am a member of the Unified Union Partners for VISN 4 which is a VHA group. I have interacted with numerous Regional Office Directors, Area Directors, VBA Central Office Staff, including Ms. Rubens in her capacity as Chief of the Office of Field Operations, as well as the past five or six Under Secretaries for Benefits.

I also believe it is important to explain the uniqueness of what is referred to as the Philadelphia Regional Office. This is a misnomer. The Philadelphia facility

encompass the Regional Office, the Insurance Center (the only one in the nation) with its own Director, the Philadelphia Information Technology Center (one of three major Data Centers) which is an OI&T function with its own Director and leadership, and the Philadelphia Insurance Products Development Staff which is a separate OI&T function (one of approximately six) with its own Director and leadership. The Philadelphia Regional Office and AFGE Local 940 also cover the Wilmington, Delaware Regional Office. All combined, these VA entities compromise the largest identified VBA facility. It is my hope that by explaining the separateness and distinctness of each individual entity in Philadelphia you can better appreciate the confusion that occurs by simply referring to the Philadelphia facility as the Philadelphia Regional Office.

Why is this important? Because the cloud that is hanging over the Philadelphia is only based on the actions of the Regional Office Management yet, the whole facility is feeling the negative effects of something that they are not a part of.

Employees in the Philadelphia Regional Office are very demoralized. A negative cloud has been hanging over them for more than nine months now. It has been hard for them to function under the combined management of Director Diana Rubens, Assistant Director Lucy Filipov, Pension Management Center (PMC) Manager Gary Hodge, Veteran Service Center Manager Jeanne Paul, and Human Resources Chief Lina Giampa. By their actions, these Management Officials both individually and collectively have created a hostile work environment in the Regional Office.

With regards to the OIG Report and other problems at the Philadelphia RO, I want to highlight some examples and will be glad to expound on them later if you have any questions.

While it is true that Director Rubens is new to the Philadelphia RO as of June 2014, she is not new to VA. As Chief of the VBA Office of Field Operations, Ms. Rubens was well aware or should have been well aware of the problems in Philadelphia RO. She was responsible for the creation, implementation and enforcement of most if not all of VBA's policies and procedures many of which are the source of the problems in Philadelphia and other ROs.

It was with great hope that I was looking forward to working with Ms. Rubens. When the rumor was spreading that Ms. Rubens was coming to Philadelphia RO, several management officials were disgruntled because they feared her reputation and because of her extensive background and intimate knowledge of VBA protocols. I believe that they were worried that she might actually hold them accountable for doing their jobs the right way. Regrettably for the employees of the Regional Office, this did not happen. In fact, I believe things actually got worse. I will address in more detail later.

One example is the manner in which Director Rubens handled a complaint the Union raised about a hostile work environment in the PMC Training Class. Similar problems had occurred in past training classes, so it appeared there was a systemic problem with how PMC Management approached training. One of VA stated goals is to be an "employer of choice" and champion the hiring of Veterans. We do this. Many of the newly hired employees are Veterans, including Veterans with service-connected disabilities. Many of these disabilities involve some form of Post-Traumatic Stress Disorder (PTSD). In the most recent PMC Training Class, there were a number of new

hires who fit this profile. One employee in particular felt he was being bullied by the Training Instructors and they created a hostile work environment for him. His attempts to address and resolve the situation with the Training and Quality Team Coach were summarily dismissed without consideration. When this employee did not show up at his family's house for Christmas holidays, they were concerned. They call his friends in the PMC Training Class, who were equally concerned. When they went to his house, they found him dead. Needless to say, they were very distraught. Let me be clear, it is unknown to me if this was a suicide or not. I have not and am not stating that this employee's death was directly caused by his treatment at the Philadelphia RO. My complaint to Director Rubens was that this situation is another example illustrating that there is definitely is a pattern of problems in the Philadelphia PMC that needs to be stopped.

Director Rubens told me she would authorize an investigation outside the control of PMC and possibly outside of the RO. However, what she actually did was authorize two untrained PMC Coaches to conduct the investigation. These Coaches were investigating the actions of their friends and fellow Coaches and their boss, the PMC Manager. I objected that this was a conflict of interest, but Director Rubens dismissed my concerns. I was appalled by Director Rubens reneging on her word and at her apparent lack of regard for the employees.

What is interesting to note is that the PMC Training and Quality Team Coach is the sister of the Chief of Human Resources. This familiar relationship has been called into question as an inherent conflict of interest many times because of the various disciplinary actions initiated by the PMC Training and Quality Team Coach and

processing of any grievances against her. Director Rubens was made aware of this conflict of interest but continues to allow it.

When I never received an investigative report on my complaint, I asked Director Rubens for it. She told me there were no findings of inappropriate actions therefore there is no report. Once again, Director Rubens was reneging on her word. It was becoming apparent to me that her management philosophy was to deny, cover up and repeat. I believe this is a pattern that Congress is familiar with from prior dealing with Ms. Rubens. I sent an initial e-mail to Secretary McDonald explaining all of this to which he replied stating he would have Ms. Gina Farrissee, Assistant Secretary for Human Resources and Administration look into it. I have since sent a follow-up e-mail and am waiting for a reply.

Given all the scrutiny of the Philadelphia RO, the OIG investigations, two Congressional Hearings, negative publicity about the disrespectful and unprofessional comments about the Congressional Staff and about Veterans "Oscar the Grouch", I would have thought that Director Rubens would have changed her behavior. But, unfortunately none of these events seem to indicate that her behavior has been corrected or improved. With regard to the Oscar the Grouch analogy, Director Rubens stated that she was not equating Veterans with Oscar the Grouch but rather she was equating employees with Oscar the Grouch. I ask you: Do you think Ms. Rubens' clarification is any better? Her actions once again are indicative of a deny, cover up and repeat management philosophy.

Knowing employees' morale was low because of the lingering negative effects of the pending OIG Report and negative publicity about them, Directors Rubens stated in

employee group meetings that morale is their (the employees') responsibility, not Management's. Her position shocked the employees. As stated previously, employees have been under a cloud since all the violations were reported and investigated. Regrettably, the employees are becoming increasingly numb to statements like this. I want to piggy-back on testimony provided to Congress last week by VA doctor Maryann Hooker. She presented information on Psychological Safety and Workplace Bullying. The negative aspects of these practices are the fundamental tenet of VA Management in the Philadelphia RO and throughout VBA. These represent some of the ways Management covertly retaliates against employees who have the nerve to speak up about injustices or any potential problem.

Philadelphia RO Management constantly holds employees to a higher standard of performance and behavior than they do themselves. It is a classic double standard, do as I say not as I do. Management would never accept an explanation from an employee that they simply misinterpreted an order or regulation. Deny – cover up – repeat.

Another serious problem in Philadelphia RO is the manner in which Reasonable Accommodation requests from employees with disabilities and Equal Employee Opportunity (EEO) complaints are handled. Many of these cases involve Veteran employees who have a Service Connected Disability. Many times PTSD is one of these conditions. When the Reasonable Accommodation Committee approves an accommodation, many times the Division Chief will refuse to implement it. This refusal to implement has caused internal friction between the Reasonable Accommodation

Committee and the Management Staff including HR. This then forces the employee to have to file an EEO Complaint. Then the same pattern occurs for processing EEO cases. These stalling tactics cause unnecessary stress on employees who are already in a stressful state. It aggravates their existing physical conditions and causes additional emotional damage. In addition, it also costs the VA to waste hundreds of thousands of dollars in lost production, settlements and judgments.

Some of these cases were as simple as changing an employee's desk/seat from under an air vent or approving Telework for medical reasons. The actions to deny or delay these resolutions seem punitive and retaliatory. Again, deny – cover up – repeat. Not only are the specific employees affected by this practice, but it also has a chilling effect on other employees as well. There are several pending EEO cases fitting this pattern that are scheduled for EEOC Hearings, which could have easily been resolved at earlier stages of the process. Now, VA will incur added expenses and lost productivity regardless of the outcome. Should the employees prevail, then the costs to VA will skyrocket to include damages as well as attorney's fees.

With regards to the issue of Ms. Rubens' reimbursement for relocation and other expenses, many employees feel this is just another example of the perception that she is above the law and afforded special treatment by Senior VACO Management. Several years ago, it was common knowledge throughout VBA that when knowledge that former Philadelphia RO Director Thomas Lastowka was going to retire that Ms. Rubens wanted to take his place. Given the practice in VBA that once Senior Leaders and Director had paid their dues by accepting assignments across the country, and they were getting close to retirement, they could be relocated to a place of their choosing. Perhaps this

was back to or close to their hometown or to a more favorable retirement area. Ms. Rubens fit this description. She had paid her dues around the country and in VACO, so she could have her pick of where to go. Philadelphia was close to home for her. By all accounts Ms. Rubens was going to be the next Director in Philadelphia. However, VBA Undersecretary Hickey asked Ms. Rubens to stay in VACO and help her for at least two more years. Speculation was that since she stayed, she would be guaranteed the Directorship in Philadelphia.

Consequently, the Philadelphia RO Director position was opened for competition. It was filled by Mr. Robert McKenrick, a complete outsider to VA. Since he was not familiar with any of the VA processing, protocols or history, Mr. McKenrick was dependent on the senior Management Staff already in place in Philadelphia RO. In my opinion, this was all a set-up to secure Ms. Rubens' relocation to Philadelphia. Why? Because in my opinion, I believe the senior Management Staff in Philadelphia and then Eastern Area Director, who were all friends of Ms. Rubens, sabotaged Mr. McKenrick by not providing him sound guidance. Consequently, he couldn't properly handle all the problems surfacing in Philadelphia RO. Therefore, this established sufficient reasons to have to transfer Mr. McKenrick out of Philadelphia, creating an opening for a new Director. Guess who?

I do not believe the Philadelphia RO Directorship was a problem to fill. I believe there were or would have been many qualified candidates for the position. And, yes, Diana Rubens would have been one of them. But, there was no need for a special bonus to fill this position. Does the fact that Ms. Rubens has many friends throughout VA / VBA give the appearance of favoritism? Does this fact give the appearance she is



being protected? With regard to the questions and explanations about the relocation expenses, it seems once again the philosophy of deny – cover up – repeat is being used with regards to Ms. Rubens' relocation.

It is my hope that justice will be served. Please don't allow the deny - cover up - repeat practice to be rewarded or to continue. Drastic action needs to be taken to break these practices. Congress has passed new laws to give VA Secretary the authority to do this. In my opinion and that of many employees and Veterans, the only way VA can restore its integrity is to remove the Management Staff in Philadelphia RO. Given all that has occurred, we do not think the current management staff will be able to fix or otherwise effectuate the changes necessary to change the practices and culture at the Philadelphia Regional Office.

Thank you again for affording me this opportunity to testify today.

Respectfully,

Joe Malizia

President, AFGE Local 940